

A.D. Little

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Basic Contract SOW

C.1 BACKGROUND

The military services have been tasked by (DOD) Defense Reform Initiative Directive (DRID) #9 to privatize all utility systems where privatization is determined to be economical. 10 USC 2688 provides authority to convey all Defense utility systems to a municipal, private, regional, district, or cooperative utility companies or other entities. Such conveyance may consist of all right, title, and interest of the United States in the utility system or such lesser estate as the Secretary considers appropriate to service the interest of the United States.

The Department of Navy (DON) requires expert analysis assistance to support the DOD utility system privatization program. Utility systems may include electrical distribution and electrical generation plants, gas storage and distribution systems, water treatment plants and distribution systems, sewage treatment and collection systems, disposal plants, solid waste collection and disposal systems, compressed air plants and systems, chilled water plants and systems, non-potable water systems and central steam and hot water systems.

C.2 SCOPE

The scope of this effort is to provide expert consultant support in all business, economic and technical aspects of the utility privatization program for US Department of Navy (DON) installations worldwide, as specifically described by individual delivery orders.

C.3 REQUIREMENTS

The contractor shall provide all manpower and other support necessary to provide such expert consultant services as necessary to perform the individual task orders. The following is a sample of the character and extent of anticipated tasks to be performed under this contract:

- 3.a Perform costs of ownership studies to determine the life cycle cost to the government and or industry of identified utility systems. Studies to be based on directed or recognized methodologies and standards as determined by the government.
- 3.b Provide appraisal estimate of Fair Market Value of identified utility systems for the purposes of assisting the government in negotiating privatization agreements.
- 3.c Analyze contractor proposed privatization agreements to provide business and economic risk assessments to all parties and provide negotiation strategy recommendations for reducing costs to the government and or mitigating future economic risk.
- 3.d Provide sensitivity analyses of the economic factors associated with proposed privatization agreements for the purpose of supporting privatization recommendations.

- 3.e Conduct market research to determine private sector interest and potential packaging strategies for utility privatization actions.
- 3.f Conduct market research to determine comparable industrial and commercial rates for utility services in identified areas.
- 3.g Perform research and analysis of federal, state, and local regulations and relevant economic trends affecting proposed specific utility privatization actions and assess the impact to proposed privatization agreements. (Particular attention will be placed on those existing laws or regulations associated with preserving environmental quality, health and safety, and electrical industry deregulation.)
- 3.h Provide specialized expert business, financial, technical, real estate or other expertise as necessary to support the negotiation of utility privatization agreements.
- 3.i Develop and present expert testimony and or oral presentations to support utility privatization actions before Public Utility Commissions, regulatory bodies or others as necessary.
- 3.j Conduct inventories, and determine future capital expenditure requirements of utility systems as identified by the government.

C.4 PLACE OF PERFORMANCE

The place of performance will be specified in individual delivery orders but this scope will encompass US Department of Navy installations worldwide.

C.5 PERIOD OF PERFORMANCE

The period of performance will be specified in individual delivery orders.

C.6 DELIVERY ORDERS

The contractor shall perform work as specifically authorized in individual delivery orders, which will be issued by the Contracting Officer or a duly authorized Order Officer.

C.7 DOCUMENTATION

All required technical, business, or economical information, reports, and data shall be delivered in accordance with the Contract Data Requirements List (CDRL), DD Form 1423, Exhibit A and as may be required by CDRLs provided with individual delivery orders.

End SOW